

**NATIONAL DAIRY MARKET AT A GLANCE**

**CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (3/08):**  
**BUTTER:** Grade AA closed at \$1.2425. The weekly average for Grade AA is \$1.2625 (+.0108).

**CHEESE:** Barrels closed at \$1.1800 and blocks at \$1.2100. The weekly average for barrels is \$1.1680 (+.0180) and blocks, \$1.2010 (+.0210).

**NONFAT DRY MILK:** Extra Grade closed at \$0.9900 and Grade A closed at \$1.0000. The weekly average for Extra Grade is \$0.9900 (N.C.) and Grade A, \$1.0000 (N.C.).

**BUTTER:** Butter markets are unsettled, although the undertone is weak. Many butter handlers and traders indicate that recent firmness in the CME cash butter market is being attributed to CME futures transactions for early March versus supply/demand influences. Butter production across the country continues to surpass current demand. Stocks continue to increase above year ago levels. Cream offerings remain heavy, although in some areas, ice cream, sour cream, cream cheese, whipping cream and other cream based items are absorbing some additional cream volumes for upcoming Easter/Passover needs. Butter demand is seasonally fair, stimulated by scattered retail feature activity. Food service orders are increasing as restaurants prepare for the Easter holiday.

**CHEESE:** The cheese market is unsettled. Most traders feel current downside price risk is minimal. Barrel demand remains good as processors fill orders and build inventory for later use. Food service promotions are stimulating extra process sales at fast food outlets. Some natural cheddar is also heading into aging programs for later year use. Natural interest remains fair at best except for shreds. Current cheese production is seasonally active, reflecting steady to higher milk intakes.

**FLUID MILK:** Milk production is nearing the annual peak in Florida as well as Arizona, New Mexico, and parts of California. Plant intakes are steady to higher in the Northeast and Midwest. Manufacturing plants continue to operate on seasonally active schedules, though heaviest on weekends. Handlers have to discount some loads in order to find an interested buyer. Class I sales were heavier in the South but about steady through much of the rest of the country. Production of holiday items is picking up for Easter/Passover needs.

**DRY PRODUCTS:** The whey markets are steady to weak with prices fractionally higher and lower. Recent lower prices have stimulated export interest. Current offerings range from adequate to heavy and production is seasonally active. The WPC market is weak with prices lower. Slow demand and extra supplies have producers trying to clear product into the animal feed market. The lactose market is mostly steady with off grade offerings increasing. The NDM market is steady with spot interest light as buyers try to only cover short-term needs. CCC clearances continue from all regions of the country. Drying schedules remain seasonally active. The buttermilk market is weak as

production remains heavy and ice cream interest has not improved sufficiently to clear inventory. Drying remains active and stocks are accumulating.

**CCC:** For the week of March 4 - 8, CCC purchased 16,778,901 net pounds of NDM. Of the total, 1,522,523 pounds originated in the East, 974,709 pounds from the Midwest and 14,281,669 pounds from the West.

**FEBRUARY AGRICULTURAL PRICES HIGHLIGHTS (NASS):** The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in February 2002 was unchanged at 122. Compared with February 2001, the index was down 2 points (1.6%). The index of prices received by farmers for dairy products declined 1 point during the month of February 2002 to 102. Compared with February 2001, the index was up 2 points (2.0%). Prices received by farmers in February with changes from January were: for All Milk, \$13.30, down \$.10; Fluid Grade Milk, \$13.40, unchanged; and for Manufacturing Grade Milk, \$12.20, down \$.20.

**JANUARY 2002 DAIRY PRODUCTS HIGHLIGHTS (NASS):** Butter production was 142.8 million pounds in January, 10.4% above January 2001 and 15.8% above December 2001. American type cheese production totaled 314.6 million pounds, 4.5% above January 2001 and 0.1% above December 2001. Total cheese output (excluding cottage cheese) was 695.2 million pounds, 1.3% above January 2001 but 1.3% below December 2001. Nonfat dry milk production, for human food, totaled 118.1 million pounds, 1.3% above January 2001 but 9.3% below December 2001.

**COMMERCIAL DISAPPEARANCE (ERS, AMS):** Commercial disappearance of dairy products during 2001 totaled 169.4 billion pounds, 308 million pounds (0.4%) higher than 2000. Comparing disappearance levels with year earlier levels: butter is -2.1%; American cheese, +3.1%; Other cheese, -0.1%; NDM, +27.7%; and fluid milk product, -0.5%.

**CONSUMER PRICE INDEX (BLS):** The January 2002 CPI for all food is 175.8, up 2.9% from January 2001. The dairy products index at 169.9, is 3.9% higher than a year ago. The following are the January to January changes for selected products: fresh whole milk +1.1%, cheese +6.9%, and butter +12.3%.

**ANNUAL FEDERAL MILK ORDER STATISTICS:** The 2000 Annual Summary of Federal Milk Order Market Statistics has been issued by the Dairy Programs, AMS, USDA. This report includes information on the number of producers and handlers, and quantities and utilization of milk priced, class and producer prices and gross values, fluid milk product sales, and milk used to produce manufactured dairy products, for individual Federal milk orders and all orders combined. This report can be found on the Internet at [www.ams.usda.gov/dairy/mmms.htm](http://www.ams.usda.gov/dairy/mmms.htm). A paper copy can be requested from the Market Information Branch at (202) 720-7461.

**\*\*\*SPECIALS THIS ISSUE\*\*\***

FEBRUARY AGRICULTURAL PRICES HIGHLIGHTS (PAGE 7)

JANUARY 2002 DAIRY PRODUCTS HIGHLIGHTS (PAGE 8)

ANNOUNCED COOPERATIVE CLASS I PRICES IN SELECTED CITIES, MARCH 2002 (PAGE 9)

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, FEBRUARY (PAGE 10)

SUMMARY OF PACKAGED SALES OF FLUID MILK PRODUCTS IN FEDERAL MILK ORDER MARKETING AREAS AND CALIFORNIA, BY MONTHS, 2001 (PAGE 11)

2000-2001 COMMERCIAL DISAPPEARANCE (PAGE 12)

JANUARY CONSUMER PRICE INDEX (PAGE 12)

DAIRY GRAPHS (PAGE 13)

**CHICAGO MERCANTILE EXCHANGE  
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY MARCH 4	TUESDAY MARCH 5	WEDNESDAY MARCH 6	THURSDAY MARCH 7	FRIDAY MARCH 8	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.1500 (N.C.)	\$1.1500 (N.C.)	\$1.1800 (+.0300)	\$1.1800 (N.C.)	\$1.1800 (N.C.)	+.0300	\$1.1680 (+.0180)
40# BLOCKS	\$1.1850 (-.0050)	\$1.1900 (+.0050)	\$1.2100 (+.0200)	\$1.2100 (N.C.)	\$1.2100 (N.C.)	+.0200	\$1.2010 (+.0210)
BUTTER GRADE AA	\$1.2725 (+.0025)	----	\$1.2725 (N.C.)	----	\$1.2425 (-.0300)	-.0275	\$1.2625 (+.0108)

\*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at [WWW.AMS.USDA.GOV/MARKETNEWS.HTM](http://WWW.AMS.USDA.GOV/MARKETNEWS.HTM) (NOTE: The NDM daily/weekly prices are reported here when changes occur. The Extra Grade price is \$.9900 and Grade A price is \$1.0000. NDM information remains available at the above internet address.)

**CHICAGO MERCANTILE EXCHANGE**

MONDAY, MARCH 4, 2002

CHEESE — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 2 CARS 40# BLOCKS: 1 @ \$1.1850, 1 @ \$1.1900  
 BUTTER — SALES: NONE; BIDS UNFILLED: 4 CARS GRADE AA: 1 @ \$1.2725, 1 @ \$1.2700, 2 @ \$1.2500; OFFERS UNCOVERED: 2 CARS GRADE AA @ \$1.3500

TUESDAY, MARCH 5, 2002

CHEESE — SALES: 4 CARS 40# BLOCKS: 1 @ \$1.1850, 1 @ \$1.1875, 1 @ \$1.1900, 1 @ \$1.1850; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.1900; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.1500

WEDNESDAY, MARCH 6, 2002

CHEESE — SALES: 3 CARS BARRELS: 1 @ \$1.1600, 1 @ \$1.1700, 1 @ \$1.1800; BIDS UNFILLED: 1 CAR 40# BLOCKS @ \$1.2100; OFFERS UNCOVERED: NONE  
 BUTTER — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 1 CAR GRADE AA @ \$1.2725

THURSDAY, MARCH 7, 2002

CHEESE — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, MARCH 8, 2002

CHEESE — SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE  
 BUTTER — SALES: 3 CARS GRADE AA: 1 @ \$1.2500, 2 @ \$1.2425; BIDS UNFILLED: 1 CAR GRADE AA @ \$1.2300; OFFERS UNCOVERED: NONE

CORRECTION: FRIDAY, MARCH 1: 40# BLOCKS -- OFFERS UNCOVERED SHOULD HAVE BEEN 1 CAR @ \$1.2000.

**BUTTER MARKETS****JANUARY BUTTER PRODUCTION**

During January 2002, butter production in the United States totaled 142.8 million pounds, 10.4% more than January 2001 and 15.8% higher than December 2001. The following are January to January changes for various states: CA +0.1%, NY -10.1%, PA -13.2%, and WI +18.6%.

**NORTHEAST**

The market tone remains unsettled. The price of butter at the CME has moved higher in the last two trading sessions (through March 4). Contacts report that these price increases have little to do with supply and demand (which would indicate lower prices). The gap in the March butter futures price and the CME cash price is being narrowed and cited as the main reason for the increase in the CME price. Churning activity remains heavy and most Eastern plants that operate churns are doing so at near capacity levels. Demand for butter is seldom better than fair and generally for immediate needs. Some scattered retail feature activity is helping consumption, but retail prices are still reported in the \$3.00+ range. Food service orders are starting to improve as restaurants order for Lent and Easter needs. Sales of bulk butter, f.o.b. East, are reported in a range of flat market - 4 cents over the CME price/average.

**CENTRAL**

The tone to current butter markets is weak. Some handlers and traders indicate that recent firmness in the CME cash butter market is being attributed to CME futures transactions for early March versus supply/demand influences. Once these transactions have cleared, many feel that the cash price will once again weaken. Many producers, handlers, and traders continue to question if a butter/powder tilt adjustment within the support program will occur in the near term. Butter stocks

are reported to be heavy in comparison to last year at this time. Churning schedules remain quite active, although additional cream offerings were reported to not be as plentiful this week as in the past few. Overall butter demand remains seasonally fair. Most orders continue to be placed for short term or immediate needs. Often, retailers that are scheduling feature activity during the upcoming Easter/Passover holiday period have their needs basically in hand and ready to fill grocery store shelves. Food service orders are also somewhat stronger as restaurants and food service outlets prepare for the upcoming holiday. Bulk butter for spot sale is selling in a range of flat - 3 cents per pound over various pricing basis.

**WEST**

Churning activity in the West is heavy and increasing. Cream offerings remain burdensome and often have to travel longer distances to find churns willing to accept it. Sales and promotions related to Easter are developing and will be in stores in the near future. Contacts are planning/hoping that the upcoming spring/Easter season will stimulate some additional food service ordering. Most contacts agree that current cash prices at the CME are more related to the current cash versus futures relationship than current supply and demand factors. January U.S. butter production was extremely heavy at 142.8 million pounds. Monthly output has not been that heavy in the last nine years. Output in the Western region in January was up only 1.5% or 730,000 pounds. The East and West North Central regions grew by 8.2 million pounds during the month. Weekly CME butter stocks grew by 8.4 million pounds this past week. The total now stands at 86.3 million pounds, up 63% from the same week last year. The total is also more than 10 million pounds above the peak reached last year in June. Current prices for bulk butter range from 4 cents to 1 cent under market based on the CME with various time frames and averages involved.

**NASS DAIRY PRODUCT PRICES**  
**U.S. AVERAGES AND TOTAL POUNDS**

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 38% MOISTURE			
MARCH 2	1.2176 7,259,521	1.1940 12,009,336	0.9094 24,376,083	1.2216 4,469,743	0.2117 12,706,513

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

## CHEESE MARKETS

## NORTHEAST

Prices are generally lower for natural and process items, unchanged on Swiss. The market tone is still unsettled, but prices at the CME appear to have stabilized from prior weeks. Cheese production in the Northeast is holding at levels higher than anticipated for February and March. Surplus milk supplies are reported to be at "near-flush" levels. Some cheese makers are taking advantage of the below Class prices currently being offered for excess milk. Demand for cheddar is slow to fair. Most distributors and some end users are purchasing on an as needed basis. Retail sales are seldom better than fair, unless featured. Food service orders are fair, but improving as Lent progresses and Easter nears.

WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.2450-1.7100
Cheddar Single Daisies	:	1.2025-1.6625
Cheddar 40# Block	:	1.3200-1.5325
Process 5# Loaf	:	1.3600-1.5450
Process 5# Sliced	:	1.3800-1.6575
Muenster	:	1.4050-1.6125
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

## MIDWEST

The cheese market is unsettled, though most traders feel that the downside risk on prices is minimal. Retail movement is slow to fair at best on natural chunks and process, generally good on shreds. Food service sales are steady at moderate, at best, levels. Barrel interest remains strong with processors putting some barrels into colder "extended" storage and some for aging programs. Interest is strong for good white processing solids. Natural cheddar sales remain sluggish except for aging programs. January estimated total cheese production compared to January 2001 are: Wisconsin 179.4 million pounds, up 3.3 million pounds (1.9%); Minnesota 52.6 million pounds, off 3.6 million pounds (-6.5%); Iowa 22.5 million pounds, up 440,000 pounds (2.0%); and South Dakota 13.2 million pounds, up 1.3 million pounds (11.0%).

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.3700-1.6500
Brick And/Or Muenster 5#	:	1.6600-1.7425
Cheddar 40# Block	:	1.5450-2.1150
Monterey Jack 10#	:	1.7775-2.1150
Blue 5#	:	1.9250-2.3600
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.5250-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0675-2.6850

## MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),  
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	MARCH 4 - 8, 2002
BARRELS*	:	\$1.1500 - 1.1900 (NOMINAL)
	:	(-.0025)
40# BLOCKS	:	\$1.1850 - 1.2350 (NOMINAL)
	:	(\$.0350) (-.0025)

( ) Change from previous week. \* If steel, barrel returned.

## WEST

Natural and process cheese prices weakened following trading at the CME last week. Many contacts believe that the markets are near a bottom since they are within a few cents of the support price. Demand seems to have improved as buyers realize that there is not much downside price risk. Barrels and any processing solids are in the tightest position. Number one current blocks are available and some are entering aging programs. Mozzarella offerings seem to be balanced and Swiss stocks are in good shape. U.S. American cheese production in January totaled 314.6 million pounds, an increase of 4.5% from a year earlier. Output for selected Western states compared to 2001 is as follows: California +11.1%, Idaho -1.1%, Oregon +43.2%, Utah -35.2% and Washington +10.5%. The Western region, overall, produces 46% of the U.S. American total and output for the region was +6.6%. January Swiss cheese production for the U.S. was 20.5 million pounds, up 9.0% from a year earlier.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND  
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.3050-1.5650
Cheddar 40# Block	:	1.3025-1.4425
Cheddar 10# Cuts	:	1.4825-1.7025
Monterey Jack 10#	:	1.4925-1.6525
Grade A Swiss Cuts 6 - 9#	:	2.3600-2.5300

## FOREIGN

Prices are unchanged to lower and the market tone is seasonal. Supplies of most imported cheeses are adequate to meet current needs. However, there continues to be some tightness on soft ripened brands. Demand is slow to fair. Reports indicate that cheese output in the first eleven months of 2001 in the EU-15 totals 5.94 million tons, 3.7% more than the same period last year. Also, EU cheese supplies rose at the end of the year thanks to steady output and slightly slower demand.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK  
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	: TFEWR	: -0-
Blue	: 2.6400-3.1400	: 1.5475-3.0425*
Gorgonzola	: 3.2400-5.9400	: 2.0475-2.4900*
Parmesan (Italy)	: TFEWR	: 2.9625-3.0175*
Romano (Italy)	: 2.1000-2.9900	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 1.5500-1.7750*
Romano (Cows Milk)	: 3.4400-5.5000	: 2.7400-4.9200*
Sardo Romano (Argentina)	: 2.6500-3.2900	: -0-
Reggianito (Argentina)	: 2.6500-3.2900	: -0-
Jarlsberg-(Brand)	: 2.7500-3.5900	: -0-
Swiss Cuts Switzerland	: -0-	: 2.3500-2.5500
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: 2.2500-2.7500	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-2.9500	: -0-
Gouda, Large	: 2.3900-2.6800	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-

\* = Price change.

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS  
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	CHEESE
03/04/02	33,975	127,779
02/01/02	25,090	126,734
CHANGE	8,885	1,045
% CHANGE	35	1

## FLUID MILK AND CREAM

## E A S T

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	25	0	33	0	103
SOUTHEAST STATES	0	0	0	0	0	0

The following are the February 2002 Class and component prices under the Federal Milk Order pricing system: Class II \$12.28 (down \$0.41 from January), Class III \$11.63 (down \$0.24); and Class IV \$11.54 (down \$0.39). The following are product price averages used in computing Class prices: butter \$1.2480, NDM \$0.9121, cheese \$1.2895, and dry whey \$0.2334. The Class II butterfat price is \$1.3887 and the Class III/IV butterfat price is \$1.3817. Milk production continues to increase in the Southeast while mostly steady further north. Throughout the region, farm pick-ups continue to run ahead of year earlier totals. Fat and protein tests are holding at relatively high levels for February and March. Fluid milk supplies continue to be reported as heavy, but in slightly better balance than past weeks. Bottled milk sales are still slow in the northern parts of the region, steady to occasionally improved in the Southeast and Florida where first of the month sales seem to have more of an impact than the Northeast. Manufacturing plants are still operating at near capacity levels on weekends, but slightly slower at midweek. The condensed skim market is mostly steady. The Class III skim price for March is estimated to be off considerably from February and this may or may not impact prices producers are willing to accept. Buyers will try to negotiate lower prices, but contacts report that it would be unlikely that sellers would move the price too far below their NDM price. Demand for condensed skim is improving particularly into some cheese operations that are increasing production to meet Easter/Passover orders. The fluid cream market is not as weak as it has been. Supplies still range from balanced to excessive, but they are not as burdensome as the past month. Spot demand has improved and prices are steady to higher as the CME butter average and multiples increased slightly. Suppliers report that cream cheese makers are taking more spot loads as they fill Easter/Passover orders. Sour cream and cottage cheese production is also increasing. Ice cream output is showing more signs of increasing as inventories are being built (particularly the basic flavors) to meet anticipated spring/summer needs. Bottled cream production is slower than expected. Some contacts note that orders for Easter/Passover have not yet developed. Cream is readily available and, despite recent trends, prices are expected to move lower in the coming weeks. The volumes of excess cream clearing to the Midwest are noticeably lower this week.

## FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

## SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.4770-1.6648
DELIVERED EQUIVALENT ATLANTA	-	1.4895-1.6522 M 1.4895-1.5396
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.4895-1.6147

## PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- .9700-1.0500
NORTHEAST- CLASS III - SPOT PRICES	- .8800- .9900

## M I D W E S T

Class I demand overall was about steady. However, a large winter storm blanketed parts of the region with snow and caused a weather related surge in demand for bottled milk in affected areas. The storm also preceded sharply lower temperatures, including the first temperatures below zero this winter in some areas of the upper tier of Midwest states. Beyond slower speeds, milk pickup and delivery problems in areas affected by the storm were reportedly minimal. Manufacturing milk interest continues lackluster with prices the lowest on weekends. Heavier volumes are available for purchase and prices are showing the affect. Reported spot manufacturing milk premiums range from \$1.50 under class to \$1.00 over, mostly 50 cents above and below flat

class. Lackluster Class I sales, coupled with generally slightly higher week to week plant intakes are causing increased manufacturing schedules. Cream interest from Class II accounts was uneven, affected by product mix (reduced fat versus regular). Ice cream production is increasing and cottage cheese about steady. Condensed skim prices are mostly unchanged in March from \$.95 to \$1.0250. Plant fluid intakes are increasing on a week-to-week basis.

## WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	FEB 28 - MAR 6 PREVIOUS YEAR
SLAUGHTER COWS	\$ 39.00- 48.00 \$ 40.50- 48.50
REPLACEMENT HEIFER CALVES	\$400.00-650.00 \$250.00-335.00

## SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	FEB 28 - MAR 6 PREVIOUS YEAR
SLAUGHTER COWS	\$ 38.25- 52.00 \$ 40.50- 52.25

## W E S T

The February 4a price (butter/powder) in CALIFORNIA is \$11.04, down \$0.42 from January and \$1.52 lower than last year. This compares to the Federal Order Class IV price for February at \$11.54. The February 4b price (cheese) is \$10.40, down \$1.02 from January but \$0.35 higher than last year. This compares to the Federal Order Class III price for February at \$11.63. California milk production continues to trend seasonally higher. In the south and central areas of the state, plant milk receipts are higher and contacts state that the flush has started and moving higher. Producing conditions have been ideal in the south with temperature warm to hot and below normal precipitation. New feed is available from alfalfa growers. Some rain fell in the Central Valley this week, but slight, if any, impacts were noted. Processing capacity is available to accommodate additional milk supplies, but plants are running nearer to being full. Milk output is increasing in ARIZONA. Weather conditions have been and remain ideal for milk cows. Milk volumes are increasing weekly towards a seasonal peak that could be reached in the near future. Levels are mostly several percentage points or higher than a year ago. Plant capacity has been ample to process milk and outside milk is being utilized. NEW MEXICO is enjoying favorable weather conditions and milk cows are responding positively. Milk production moved higher last week at a greater extent than this week. Fluid milk orders are about steady with recent weeks. Additional, surplus milk supplies are being moved out of state for processing. Manufacturing plants are operating normally. The early spring flush continues in the PACIFIC NORTHWEST. Temperatures remain quite warm, but more rain was common this week with snow at elevation. Some contacts are reporting that some producers are beginning to run out of good quality dairy hay and there isn't much available for sale. They wonder if this might have an impact on production in the short run. Some cows that had been out on pasture are back off because of wet conditions. Producers are looking to contract some of their corn needs for the year without much success. A major heifer sale in the region indicated that prices are continuing to be firm. Top animals continue to be priced at over \$2000. As milk prices decline this spring, contacts wonder if this will cause some softening on prices. Conditions in NORTHERN UTAH continue to look like the middle of winter. Snow and cold persist. Feed use remains strong to maintain body functions with low temperatures. Plants are looking for outside milk to supplement producer supplies. Water issues for this region and for SOUTHERN IDAHO are getting much more attention as the spring season approaches. Water levels are much below normal and this will have an impact on cropping decisions. Current weather conditions are not nearly as rough in IDAHO as in the Cache Valley. The Western CREAM market remains unsettled to weak. However, the tone is characterized as less weak than in past weeks. Supplies of cream are under better control. Excess cream remains available in the region and spot multiples and overages continue to be pressured. Despite slightly increasing, the CME butter price is not stimulating additional purchases among butter producers. Ice cream demand is slowly developing, but remains below expectations. West cream multiples are slightly improved at 105 to 120, FOB.

**NDM, BUTTERMILK & WHOLE MILK**

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

**NONFAT DRY MILK - CENTRAL AND EAST**

CENTRAL: Prices are unchanged on a mostly steady market. Spot purchases are on an as needed basis. Most movement continues to occur on contracts. Production is steady to higher in light of heavier milk volume intakes. At some locations, plants are buying more milk to ensure adequate supplies for future commitments. However, at other locations, product is readily available for spot sale. High heat trading is very light. Spot interest in high and low heat is expected to remain slow until clarity regarding a tilt change is found.

EAST: Prices and the market tone are little changed. Drying schedules remain heavy, but some plants did see surplus milk volumes ease lower this week. Plant stocks are growing and some operations are looking into outside storage. Demand remains lackluster and generally for immediate needs. Not only are the growing stocks a concern, there are now reports that NDM that did not accepted by CCC (often due to packaging or moisture content) is being offered at a discount. This powder does meet Extra Grade standards, but carries the "label" of being rejected by CCC. There is less conversation about the "tilt" change, but the possibility continues to be brought up. We are now in our fifth month of the tilt rumor. Many contacts state that this is the one thing that is keeping NDM sales from reaching their full potential.

DAIRY PRODUCTS: Production of human food, nonfat dry milk during January 2002 totaled 118.1 million pounds, up 1.3% from January 2001 but 9.3% below December 2001. Month ending stocks, at 119.8 million pounds, are 17.7% below a year ago and 11.8% lower than December 2001.

Includes EXTRA GRADE and GRADE A

F.O.B. CENTRAL/EAST:

LOW/MEDIUM HEAT:	.9000 - .9675	MOSTLY:	.9200 - .9400
HIGH HEAT:	.9600 - 1.0250		

**NONFAT DRY MILK - WEST**

Prices are lower on the top end of the low/medium heat NDM range, but the majority of prices are unchanged. The market undertone continues to be weak. There is little new news in the trade concerning NDM. Buyers are taking only product for short term needs and are able to choose suppliers. Production remains heavy in the region to process growing milk volumes. Stocks are moderate to heavy compared to the light demand and continue to be balanced by sales to the support program. During the week of February 25 - March 1, adjusted support program purchases totaled 22,508,062 million pounds of NDM with 21,483,768 pounds from the West. High heat prices were adjusted slightly higher and reflect sporadic sales activity versus market strength. Production remains centered on making product to order. Stocks are at levels to fill current trade needs. U.S. NDM production in January totaled 118.1 million pounds, up 1.3% from last year but 9.3% lower than December. January production in the West region totaled 83.8 million pounds, down 7.1% from last year. California totaled 55.3 million pounds, down 6.6% from last year. Washington totaled 10.2 million pounds, down 31.4% from last January. U.S. stocks at the end of January were reported at 141.9 million pounds, down 2.0% from last year but up 8.4% from last month.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT:	.8950 - .9850	MOSTLY:	.9000 - .9150
HIGH HEAT:	.9275 - .9700		

**CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK**

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
March 1	\$.9022	15,818,840	12,011,725
February 22	\$.9044	12,328,128	8,262,201

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

**DRY BUTTERMILK - CENTRAL**

Prices are unchanged to lower on a weak market. Demand is very light. Producers have no incentive to negotiate without any buyer interest. Production continues strong as butter churn activity remains heavy. Producers are generally not concerned over the building stocks. Buttermilk demand is expected to improve seasonally with ice cream. Some bids were reported below the range. However, traders do not believe that the price will stray far from NDM. Buttermilk product is available for the very light interest. Dry buttermilk production during January 2002 totaled 5.5 million pounds, up 3.7% from January 2001 but 7.8% lower than December 2001. Month ending stocks, at 8.7 million pounds, are 33.5% above last year and 14.1% higher than last month.

BUTTERMILK:	.8200 - .9200
-------------	---------------

**DRY BUTTERMILK - NORTHEAST AND SOUTHEAST**

Prices are generally steady and the market tone is weak. Eastern prices remain nominal. Production levels have eased slightly as churning was not as heavy as the past month or so. Producer stocks are building, but manageable. Demand for dry buttermilk is slow to fair. Dry buttermilk production during January 2002 totaled 5.5 million pounds, up 3.7% from January 2001 but 7.8% less than December 2001. Month ending stocks, at 8.7 million pounds, are 33.5% more than last year and 14.1% more than a month ago.

F.O.B. NORTHEAST:	.9000 - .9450
DELVD SOUTHEAST:	.8800 - .9700

**DRY BUTTERMILK - WEST**

Dry buttermilk prices are slightly lower in light trading. The market remains weak. Additional loads are being offered by producers, but demand is light. Lower offering prices are not stimulating much additional interest. Butter churning remains active in the region and sales of condensed buttermilk are moderate at best. Drying schedules are higher than anticipated for this time period. Stocks are moderate to heavy and building. U.S. dry buttermilk production in January totaled 5.5 million pounds, up 3.7% from last year but 7.8% lower December. Stocks at the end of January were reported at 8.7 million pounds, up 33.5% from a year earlier and 14.1% above December.

BUTTERMILK:	.8800 - .9600	MOSTLY:	.9000 - .9200
-------------	---------------	---------	---------------

**DRY WHOLE MILK - NATIONAL**

Prices are mixed, mostly lower as the February Class IV milk price was announced as \$.39 lower than January. Prices are nominal. Some price increases were noted in response to the increases seen in butter at the CME. Production levels are light to moderate and spot demand is seldom better than fair. Dry whole milk production during January 2002 totaled 3.8 million pounds, down 24.5% from January 2001 but 30.6% above December 2001. Month ending stocks are not reported for this product.

F.O.B. PRODUCING PLANT:	1.1700 - 1.2900
-------------------------	-----------------

**DEIP BID ACCEPTANCE SUMMARY**

JULY 1, 2001 THROUGH MARCH 1, 2002  
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	36,205	MT (79,817,543 LBS)
CHANGE	--	743	MT (1,638,018 LBS)

CHEESE	--	3,030	MT (6,679,938 LBS)
--------	----	-------	--------------------

This program-year allocation is filled.

Allocations for the DEIP year beginning July 1, 2001: Nonfat dry milk -- 68,201 MT; Cheese -- 3,030 MT; Butterfat -- 21,097 MT.

**WHEY, CASEIN & EVAPORATED MILK**

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

**DRY WHEY - CENTRAL**

Prices are unchanged to lower on a steady to weak market. While some producers are reporting that their stocks are in better balance, others are stating that supplies remain heavy. Rather than selling stocks at a discount, some firms are warehousing their excess whey. While producer offering prices are generally unchanged, resellers are offering at the lower end of the range and finding product difficult to clear. Export movement is light with some limited movement into Mexico. Production is steady to higher as milk seasonally increases. Production of human food, dry whey during January 2002 totaled 84.9 million pounds, 5.4% less than January 2001 and 1.0% below December 2001. Month ending stocks, at 37.2 million pounds, are 0.4% above a year ago and 1.9% more than December 2001.

NONHYGROSCOPIC: .1900 - .2050 MOSTLY: .2000 - .2050

**DRY WHEY - NORTHEAST AND SOUTHEAST**

Prices have, for the most part, leveled off. However, some fractional declines were noted for the Northeast, while mixed in the Southeast. The market tone is still weak, but as prices have leveled off, buyers are showing a little more interest in making spot purchases. This may also be due to the fact that spot buyers have been inactive for so long. Production levels are steady at moderate levels. Producer stocks range from "slightly short" to adequate. Most Eastern producers do have spot loads to move. There are fewer reports of price discounting, but they do occasionally pop up. Production of human food, dry whey during January 2002 totaled 84.9 million pounds, 5.4% less than January 2001 and 1.0% below December 2001. Month ending stocks, at 37.2 million pounds, are 0.4% above last year and 1.9% more than a month ago. Production of animal feed, dry whey during January totaled 5.8 million pounds, 1.7% more than a year ago and 8.3% above last month.

F.O.B. NORTHEAST:	EXTRA GRADE	.2000 - .2075
	USPH GRADE A	.2175 - .2400
DELVD SOUTHEAST:		.2300 - .2375

**DRY WHEY - WEST**

Lower prices over the past few weeks have succeeded in clearing some additional product into overseas channels. Inventories, at some locations, are in better shape. Domestic sales are about steady. Price relationships across regions do not lend themselves to interregional sales at this time. Powder production ranges from on target to higher than anticipated. January U.S. human food whey production was 84.9 million pounds, down 5.4% or almost 5 million pounds from last year. Contacts were somewhat surprised to note that the output for the Western region in January was down more than 21% (6.1 million pounds) from one year ago.

NONHYGROSCOPIC: .1950 - .2400 MOSTLY: .2075 - .2200

**ANIMAL FEED WHEY - CENTRAL**

Prices are unchanged to lower on a generally steady market. Availability of milk replacer is mixed. Demand is light to fair as buyers assess market movement in the Extra Grade market. Roller ground supplies are in balance to tight. Demand is generally steady and mostly contractual. Delactose interest is unchanged with some new concerns regarding delactose inclusion in formulations, especially as prices of comparable substitutes like WPC trend lower. Production of animal feed dry whey during January 2002 totaled 5.8 million pounds, 1.7% higher than a year ago and 8.3% more than December 2001. Month ending stocks, at 2.2 million pounds, are 62.0% below a year ago but 13.5% above than last month.

MILK REPLACER:	.1700 - .1850
ROLLER GROUND:	.1875 - .2225
DELACTOSE (Min. 20% protein):	.3850 - .4150

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices are lower on a weak market. Weak demand in the high protein market is affecting 34% WPC sales. Because of the lower demand and consequential excess supplies, domestic producers of 34% and 80% are competitively vying for feed buyer interest. In addition, New Zealand product remains available at varying degrees of quality. Some product is said to be trading as low as \$1. The CCC published their bid announcement for the month with 3,261,571 pounds of NDM available for bidding until 11:00 A.M. CST, March 18, 2002. WPC 34% demand from edible and nutritional markets is generally steady and mostly contractual. Off grade supplies of 34% and 80% are readily available for the light interest. Production of HUMAN FOOD WPC during January 2002 totaled 25.5 million pounds, down 1.4% from January 2001 but 6.8% above December 2001. Month ending stocks totaled 18.8 million pounds, 94.9% higher than a year ago and 8.3% above last month. Production of ANIMAL FEED WPC during January 2002 totaled 3.9 million pounds, down 7.0% from January 2001 and 2.9% below December 2001. Manufacturers end-of-month stocks totaled 1.8 million pounds, 15.2% higher than a year ago and 98.9% above last month.

EXTRA GRADE 34% PROTEIN: .5900 - .6475 MOSTLY: .6000 - .6375

**LACTOSE - CENTRAL AND WEST**

Prices are unchanged on a mostly steady market. Opinions are mixed for second quarter contracts with expectations reported as unchanged to lower. Supplies of off grade product are increasing for the light interest. Prices on off grade are trending lower in order to be competitive with Extra Grade whey and permeate. Bagged product is clearing more readily than totes. Export movement of 200 mesh product is difficult due to competitive South American supplies. As a result, some US manufacturers are producing more 30-100 mesh instead of 200 mesh. Supplies remain mixed with some firms offering loads and others sold out. Lactose production during January 2002 totaled 48.9 million pounds, up 6.2% from January 2001 and 5.1% above December 2001. Month ending stocks, at 27.6 million pounds, are 11.3% lower than a year ago but 0.1% above last month.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .2000 - .2800 MOSTLY: .2075 - .2375

**CASEIN - NATIONAL**

Casein markets are basically steady, although the market tone remains weak. Many domestic buyers and importers await the outcome of the recent field test of government owned nonfat dry milk for the production of casein/caseinate. The announcement of the potential sale occurred in October, 10 contracts totaling 1.2 million pounds at \$.10 per pound were awarded in December, with the test results due back to USDA by the end of March. Importers indicate that the outcome of the test could significantly impact future sales. Current buyer interest continues to be filled with limited difficulty. For the most part, shipments are on schedule as anticipated. Most domestic buyers are hesitant to purchase or commit too far ahead in a weak market.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.	
RENNET:	2.3000 - 2.5000
ACID:	2.1500 - 2.3500

**EVAPORATED MILK - NATIONAL**

Prices and the market tone are unchanged. Production levels are increasing as attractively priced surplus milk volumes are increasing in some parts of the country. Demand is fair as there is a slight up-tick in retail sales around Easter. Canned evaporated milk production during January 2002, totaled 33.0 million pounds, 3.9% more than January 2001 but 7.8% less than December 2001. Month ending stocks, at 42.2 million pounds, are 7.2% more than a year ago and 1.4% above last month. The Kansas City Commodity office announced the award of contracts for evaporated milk under EVD-1, invitation 710 for delivery April-June 2002. The award is for 5,140,800 pounds at prices ranging \$0.3971-\$0.5767 per pound.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$19.00 - 33.00

Excluding promotional and other sales allowances. Including new price announcements.

## FEBRUARY AGRICULTURAL PRICES HIGHLIGHTS

The index of prices paid by farmers for commodities and services, interest, taxes, and wage rates in February 2002 was unchanged at 122. Compared with February 2001, the index was down 2 points (1.6 percent). The index of prices received by farmers for dairy products declined 1 point during the month of February 2002 to 102. Compared with February 2001, the index was up 2 points (2.0 percent).

Prices received by farmers in February with changes from January were: for All Milk, \$13.30 per hundredweight (cwt.), down \$.10; Fluid Grade Milk, \$13.40 per cwt., unchanged; and for Manufacturing Grade Milk, \$12.20 per cwt., down \$.20.

## SELECTED MILK PRICES, COWS AND DAIRY FEED PRICES, SELECTED STATES AND U.S., FEBRUARY 2002 WITH COMPARISONS

STATE	All-milk price <u>1/</u> <u>3/</u>				Milk cows <u>5/</u>		Cows <u>6/</u>		All hay baled <u>7/</u>	
	Dollars per cwt.		Dollars per cwt.		Dollars per head		Dollars per cwt.		Dollars per ton	
	JANUARY		FEBRUARY		FEBRUARY		FEBRUARY		FEBRUARY	
	2002 <u>2/</u>	2001 <u>2/</u>	2002 <u>4/</u>	2001 <u>2/</u>	2002	2001	2002 <u>7/</u>	2001 <u>8/</u>	2002	2001
CA	12.01	12.19	11.80	11.90	PRICES PUBLISHED  JANUARY, APRIL, JULY AND OCTOBER		39.50	40.50	114.00	106.00
ID	12.70	10.80	12.90	11.60			39.20	41.50	112.00	94.00
MI	13.70	13.90	13.70	13.20			42.50	42.50	76.00	64.00
MN	13.80	12.90	13.70	13.10			42.50	45.20	56.00	62.00
NY	14.10	14.10	14.00	14.10			---	---	109.00	103.00
OH	13.30	13.50	13.40	13.00			39.00	40.80	92.00	79.00
PA	15.00	14.50	14.80	14.60			41.90	43.00	125.00	105.00
TX	14.50	14.20	14.10	13.80			40.80	41.90	69.00	73.00
WA	13.50	13.50	13.00	13.10			---	---	125.00	105.00
WI	13.60	12.60	13.40	12.70			42.70	43.40	54.00	51.00
U.S.	13.40	13.20	13.30	13.00			40.70	42.70	90.40	86.80

1/ Prices are shown at reported butterfat test. 2/ Partially revised. 3/ Before deductions for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies. 4/ Preliminary. 5/ Animals sold for dairy herd replacement only. 6/ Beef cows and cull dairy cows sold for slaughter. 7/ Mid-month price. 8/ Entire month.

## MILK AND OTHER GENERAL PRICE MEASURES, U.S., FEBRUARY 2002 WITH COMPARISON

ITEM	FEBRUARY 2001	JANUARY 2002 <u>1/</u>	FEBRUARY 2002 <u>2/</u>
<b>PRICES RECEIVED BY FARMERS</b> , dol. per cwt., at reported butterfat test:			
All milk	13.00	13.40	13.30
Fluid grade milk	13.10	13.40	13.40
Manufacturing grade milk	11.10	12.40	12.20
<b>INDEX NUMBERS</b> (1990-92=100):			
Prices received by farmers for all farm products	100	95	99
Prices received by farmers for dairy products	100	103	102
Prices paid by farmers for commodities and services, interest taxes, and wage rates	124	122	122
Prices paid by farmers for production items	121	117	117
Prices paid by farmers for feed	108	107	106
<b>MILK FEED PRICE RATIO:</b> Pounds of 16% Mixed Dairy Feed equal in value to one pound of milk <u>3/</u>	3.03	3.00	3.05

1/ Partially revised. 2/ Preliminary. 3/ For this data series, the price of the commercial prepared feed is based on current U.S. prices received for corn, soybeans, and alfalfa hay and all wheat.

**SOURCE:** "Agricultural Prices," Pr 1 (2/02), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

## JANUARY 2002 DAIRY PRODUCTS HIGHLIGHTS

**BUTTER** production was 142.8 million pounds in January, 10.4 percent above January 2001 and 15.8 percent above December 2001. **AMERICAN TYPE CHEESE** production totaled 314.6 million pounds, 4.5 percent above January 2001 and 0.1 percent above December 2001. **TOTAL CHEESE** output (excluding cottage cheese) was 695.2 million pounds, 1.3 percent above January 2001 but 1.3 percent below December 2001. **NONFAT DRY MILK** production, for human food, totaled 118.1 million pounds, 1.3 percent above January 2001 but 9.3 percent below December 2001. **DRY WHEY** production, for human food, was 84.9 million pounds, 5.4 percent below January 2001 and 1.0 percent below December 2001. **ICE CREAM** (hard) production totaled 69.6 million gallons, 10.6 percent above January 2001 and 23.0 percent above December 2001.

PRODUCTION OF DAIRY PRODUCTS									
PRODUCT	JAN 2002	PERCENT CHANGE FROM:			PRODUCT	JAN 2002	PERCENT CHANGE FROM:		
	1,000 LBS.	JAN 2001	DEC 2001	YEAR TO DATE 1/		1,000 LBS.	JAN 2001	DEC 2001	YEAR TO DATE 1/
BUTTER	142,841	10.4	15.8	10.4	YOGURT (PLAIN AND FLAVORED)	152,466	8.7	-5.2	---
CHEESE					CONDENSED WHEY, SOLIDS CONTENT <u>6/</u>				
AMERICAN TYPES <u>2/</u>	314,575	4.5	0.1	4.5	SWEET-TYPE, HUMAN FOOD	13,791	30.6	7.6	---
CHEDDAR	244,839	4.2	0.9	4.2	SWEET-TYPE, ANIMAL FEED	1,269	8.5	-1.7	---
SWISS	20,518	9.0	2.2	---	DRY WHEY PRODUCTS				
BRICK & MUENSTER	8,229	16.0	6.5	---	DRY WHEY, HUMAN FOOD	84,862	-5.4	-1.0	---
CREAM & NEUFCHATEL	44,855	-4.2	-5.3	---	DRY WHEY, ANIMAL FEED	5,757	1.7	8.3	---
HISPANIC	9,585	27.1	10.0	C	REDUCED LACTOSE AND MINERALS				
MOZZARELLA	225,117	-2.8	-2.4	-2.8	HUMAN FOOD	8,582	23.6	21.8	---
OTHER ITALIAN TYPES	56,537	-1.9	-3.7	-1.9	ANIMAL FEED	3,388	3.2	5.7	---
TOTAL ITALIAN TYPES	281,654	-2.6	-2.7	-2.6	LACTOSE, HUMAN FOOD & ANIMAL FEED	48,945	6.2	5.1	---
ALL OTHER TYPES	15,787	-1.6	-5.4	---	WHEY PROTEIN CONCENTRATE				
TOTAL	695,203	1.3	-1.3	1.3	HUMAN FOOD	25,549	-1.4	6.8	---
COTTAGE CHEESE, CURD <u>3/</u>	35,140	-2.7	6.9	---	ANIMAL FEED	3,876	-7.0	-2.9	---
COTTAGE CHEESE, CREAM <u>4/</u>	29,547	-3.2	7.2	-3.2					
COTTAGE CHEESE, LOWFAT <u>5/</u>	29,568	-0.5	12.3	-0.5					
CANNED EVAPORATED & CONDENSED									
WHOLE MILK	32,980	3.9	-7.8	---	FROZEN PRODUCTS	1,000 GALLONS			
DRY WHOLE MILK	3,845	-24.5	30.6	---	ICE CREAM (HARD)	69,621	10.6	23.0	10.6
NONFAT DRY MILK, HUMAN FOOD	118,130	1.3	-9.3	1.3	ICE CREAM, LOWFAT (HARD)	8,084	17.8	25.2	---
DRY SKIM MILK, ANIMAL FEED	689	94.6	34.6	---	ICE CREAM, LOWFAT (SOFT)	14,070	-19.1	-21.2	---
DRY BUTTERMILK	5,537	3.7	-7.8	---	ICE CREAM, LOWFAT (TOTAL)	22,154	-8.6	-8.9	-8.6
					SHERBET (HARD)	3,801	8.4	20.2	8.4
					YOGURT (TOTAL)	5,953	-5.4	9.3	-5.4

MANUFACTURERS' STOCKS, END OF MONTH <u>7/</u>							
PRODUCT	JAN 2002	PERCENT OF:		PRODUCT	JAN 2002	PERCENT OF:	
	1,000 LBS.	JAN 2001	DEC 2001		1,000 LBS.	JAN 2001	DEC 2001
DRY WHEY PRODUCTS				WHEY PROTEIN CONCENTRATE			
DRY WHEY, HUMAN FOOD	37,183	0.4	1.9	HUMAN FOOD	18,789	94.9	8.3
DRY WHEY, ANIMAL FEED	2,198	-62.0	13.5	ANIMAL FEED	1,848	15.2	98.9
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL <u>8/</u>	8,437	37.3	9.1	CANNED EVAPORATED & CONDENSED WHOLE MILK	42,247	7.2	1.4
LACTOSE, HUMAN FOOD & ANIMAL FEED	27,609	-11.3	0.1	NONFAT DRY MILK FOR HUMAN FOOD	119,770	-17.7	-11.8
DRY BUTTERMILK, TOTAL	8,731	33.5	14.1				

1/ 2002 cumulative as percent change of 2001 cumulative. 2/ Whole milk cheese, including Cheddar, colby, monterey and jack. 3/ Mostly used for processing into cream or lowfat cottage cheese. 4/ Fat content 4 percent or more. 5/ Fat content less than 4 percent. 6/ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified whey products. 7/ Stocks held by manufacturers at all points and in transit. 8/ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations. 9/ Information for these products was not shown in current report.

**SOURCE:** "Dairy Products," Da 2-6 (3-02), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

ANNOUNCED COOPERATIVE CLASS I PRICES IN SELECTED CITIES, MARCH 2002, WITH COMPARISONS 1/												
CITY	MAR 2000			MAR 2001			FEB 2002			MAR 2002		
	Coop.	Federal Order	Differ-ence	Coop.	Federal Order	Differ-ence	Coop.	Federal Order	Differ-ence	Coop.	Federal Order	Differ-ence
	Dollars Per Hundredweight											
Atlanta, GA	15.69	13.94	1.75	16.83	15.75	1.08	16.25	15.05	1.20	16.25	14.72	1.53
Baltimore, MD	15.29	13.84	1.45	17.40	15.65	1.75	16.70	14.95	1.75	16.37	14.62	1.75
Boston, MA	14.57	14.09	0.48	16.38	15.90	0.48	16.80	15.20	1.60	16.47	14.87	1.60
Carbondale, IL	14.75	13.04	1.71	16.56	14.85	1.71	15.40	14.15	1.25	15.07	13.82	1.25
Charlotte, NC	15.69	13.94	1.75	16.83	15.75	1.08	16.25	15.05	1.20	16.25	14.72	1.53
Chicago, IL	14.52	12.64	1.88	15.99	14.45	1.54	15.55	13.75	1.80	15.25	13.42	1.83
Cincinnati, OH	14.89	13.04	1.85	16.58	14.85	1.73	15.95	14.15	1.80	15.62	13.82	1.80
Cleveland, OH	14.54	12.84	1.70	16.38	14.65	1.73	15.75	13.95	1.80	15.42	13.62	1.80
Dallas, TX	15.14	13.84	1.30	16.20	15.65	0.55	15.82	14.95	0.87	15.90	14.62	1.28
Denver, CO	14.04	13.39	0.65	15.90	15.20	0.70	15.35	14.50	0.85	15.02	14.17	0.85
Des Moines, IA	13.94	12.64	1.30	15.66	14.45	1.21	14.90	13.75	1.15	14.57	13.42	1.15
Detroit, MI	13.89	12.64	1.25	15.45	14.45	1.00	15.03	13.75	1.28	14.67	13.42	1.25
Hartford, CT	14.47	13.99	0.48	16.28	15.80	0.48	16.70	15.10	1.60	16.37	14.77	1.60
Houston, TX	15.74	14.44	1.30	16.80	16.25	0.55	16.42	15.55	0.87	16.50	15.22	1.28
Indianapolis, IN	14.69	12.84	1.85	16.38	14.65	1.73	15.75	13.95	1.80	15.42	13.62	1.80
Kansas City, MO	14.49	12.84	1.65	15.86	14.65	1.21	15.10	13.95	1.15	15.00	13.62	1.38
Louisville, KY	14.44	13.04	1.40	15.85	14.85	1.00	15.15	14.15	1.00	14.82	13.82	1.00
Memphis, TN	15.14	13.64	1.50	16.28	15.45	0.83	15.75	14.75	1.00	15.75	14.42	1.33
Miami, FL	18.20	15.14	3.06	19.26	16.95	2.31	18.76	16.25	2.51	18.76	15.92	2.84
Milwaukee, WI	14.47	12.59	1.88	16.09	14.40	1.69	15.65	13.70	1.95	15.35	13.37	1.98
Minneapolis, MN	13.78	12.54	1.24	15.45	14.35	1.10	15.16	13.65	1.51	14.86	13.32	1.54
New Orleans, LA	15.84	14.44	1.40	16.98	16.25	0.73	16.40	15.55	0.85	16.40	15.22	1.18
Oklahoma City, OK	14.99	13.44	1.55	16.05	15.25	0.80	15.60	14.55	1.05	15.50	14.22	1.28
Omaha, NE	13.94	12.69	1.25	15.71	14.50	1.21	14.95	13.80	1.15	14.62	13.47	1.15
Philadelphia, PA	15.31	13.89	1.42	17.57	15.70	1.87	16.87	15.00	1.87	16.54	14.67	1.87
Phoenix, AZ	13.79	13.19	0.60	15.15	15.00	0.15	14.45	14.30	0.15	14.12	13.97	0.15
Pittsburgh, PA	14.34	12.94	1.40	16.95	14.75	2.20	16.25	14.05	2.20	15.92	13.72	2.20
St. Louis, MO	14.55	12.84	1.71	16.36	14.65	1.71	15.20	13.95	1.25	14.87	13.62	1.25
Salt Lake City, UT	12.99	12.74	0.25	14.80	14.55	0.25	14.15	13.85	0.30	13.82	13.52	0.30
Seattle, WA	14.87	12.74	2.13	14.97	14.55	0.42	15.42	13.85	1.57	13.94	13.52	0.42
Spokane, WA	14.87	12.74	2.13	14.97	14.55	0.42	15.42	13.85	1.57	13.94	13.52	0.42
Springfield, MO	14.59	13.04	1.55	15.65	14.85	0.80	14.95	14.15	0.80	14.62	13.82	0.80
Washington, DC	15.29	13.84	1.45	17.40	15.65	1.75	16.70	14.95	1.75	16.37	14.62	1.75
Simple Average	14.78	13.32	1.46	16.27	15.13	1.14	15.77	14.43	1.34	15.47	14.10	1.37

1/ Class I prices announced for the beginning of the month by the major cooperative in each city market. These prices may not apply to all of the Class I sales in these city markets. Announced prices may not include handling or service charges applicable to milk from supply plants and competitive credits which may be allowed. These prices have not been verified as having been actually paid by handlers.

## FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, FEBRUARY

**Component Price Information:** Under the Federal milk order pricing system, the butterfat price for February 2002 is \$1.3817 per pound. Thus, the Class II butterfat price is \$1.3887. The protein and other solids prices for February are \$2.0884 and \$0.0965 per pound, respectively. These component prices set the Class III skim milk price at \$7.04 per cwt. The February Class IV skim milk price is \$6.95, which is derived from the nonfat solids price of \$0.7721 per pound. **Product Price Averages:** The product price averages for February are; butter \$1.2480, nonfat dry milk \$0.9121, cheese \$1.2895, and dry whey \$0.2334.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT <u>1/</u> <u>2/</u>						
FEDERAL MILK ORDER MARKETING AREAS <u>3/</u>	ORDER NUMBER	FEBRUARY 2002				MARCH 2002
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) <u>4/</u>	001	15.20	12.28	11.63	11.54	14.87
Appalachian (Charlotte) <u>5/</u>	005	15.05	12.28	11.63	11.54	14.72
Southeast (Atlanta) <u>6/</u>	007	15.05	12.28	11.63	11.54	14.72
Florida (Tampa ) <u>7/</u>	006	15.95	12.28	11.63	11.54	15.62
Mideast (Cleveland) <u>8/</u>	033	13.95	12.28	11.63	11.54	13.62
Upper Midwest (Chicago) <u>9/</u>	030	13.75	12.28	11.63	11.54	13.42
Central (Kansas City) <u>10/</u>	032	13.95	12.28	11.63	11.54	13.62
Southwest (Dallas) <u>11/</u>	126	14.95	12.28	11.63	11.54	14.62
Arizona-Las Vegas (Phoenix) <u>12/</u>	131	14.30	12.28	11.63	11.54	13.97
Western (Salt Lake City) <u>13/</u>	135	13.85	12.28	11.63	11.54	13.52
Pacific Northwest (Seattle) <u>14/</u>	124	13.85	12.28	11.63	11.54	13.52
All-Market Average	---	14.53	12.28	11.63	11.54	14.20

1/ To convert the Class I price per 100 pounds to the Class I price per gallon, divide 11.63--the approximate number of gallons in 100 pounds of milk.

2/ Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.

3/ Names in parentheses are the major city in the principal pricing point of the market.

4/ Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25; and Washington, DC, minus \$0.25.

5/ Class I prices at other cities are: Knoxville, minus \$0.30 and Louisville, minus \$0.90.

6/ Class I prices at other cities are: New Orleans; plus \$0.50; Memphis, minus \$0.30; Nashville, minus \$0.50; and Springfield, Mo., minus \$0.90.

7/ Class I prices at other cities are: Orlando, same; Miami, plus \$0.30; and Jacksonville, minus \$0.30.

8/ Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20.

9/ Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10.

10/ Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver, plus \$0.55.

11/ Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75.

12/ Class I price at Las Vegas is minus \$0.35.

13/ Class I price at Boise is minus \$0.30.

14/ Class I prices at other cities are: Portland, same; and Spokane, same.

**SUMMARY OF PACKAGED SALES OF FLUID MILK PRODUCTS IN FEDERAL MILK ORDER MARKETING AREAS  
AND CALIFORNIA, BY MONTHS, 2001 1/**

Month	Fluid milk sales by marketing area												
	Northeast	Appa- lachian	Southeast	Florida	Mideast	Upper Midwest	Central	Southwest	Arizona- Las Vegas	Western	Pacific Northwest	California	Total <u>2/</u>
	Million pounds												
Jan	828	307	433	253	566	383	412	369	108	77	192	539	4,467
Feb	761	270	384	228	500	344	369	322	97	70	166	500	4,012
Mar	876	307	435	260	566	387	408	359	107	78	191	575	4,548
Apr	786	277	397	234	512	350	383	336	101	70	175	518	4,137
May	829	288	410	225	534	365	375	348	100	75	183	537	4,268
Jun	787	274	394	221	499	341	359	325	98	69	175	526	4,069
Jul	768	274	389	220	495	338	357	322	97	70	176	509	4,015
Aug	796	306	431	239	525	364	393	359	108	79	180	530	4,310
Sep	796	278	403	221	521	362	380	342	100	71	179	530	4,184
Oct	859	302	432	242	562	388	410	383	110	80	192	553	4,512
Nov	840	298	414	237	551	377	399	358	108	77	188	531	4,380
Dec	846	283	404	242	552	375	395	345	108	73	185	531	4,339
Total <u>2/</u>	9,772	3,463	4,925	2,821	6,383	4,374	4,640	4,169	1,243	889	2,182	6,380	51,240

1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California. Fluid milk products include: plain and flavored whole milk, plain, solids added, and flavored fat-reduced milk, buttermilk, and miscellaneous fluid milk products. 2/ May not add due to rounding.

## CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE 1/

Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish and Eggs	
	CPI 2/	Pct. Chg. 3/	CPI 2/	Pct. Chg. 3/	CPI 2/	Pct. Chg. 3/	CPI 2/	Pct. Chg. 3/	CPI 2/	Pct. Chg. 3/	CPI 2/	Pct. Chg. 3/
NOV 2001	174.6	3.4	171.2	6.1	169.2	8.0	172.6	6.0	171.1	27.9	162.7	4.6
DEC 2001	174.7	2.8	170.8	5.8	167.3	4.6	172.7	7.2	174.9	18.8	162.0	3.4
JAN 2002	175.8	2.9	169.9	3.9	164.9	1.1	172.8	6.9	175.5	12.3	162.1	2.6
U.S. City Average Retail Prices												
Month	Whole Milk 4/		Lowfat Milk 4/		Butter 5/		Process Cheese 6/		Natural Cheese 7/		Ice Cream 8/	
	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
	Dollars											
NOVEMBER	2.890	2.753	2.649	2.633	3.162	2.483	3.971	3.639	4.241	3.862	3.463	3.320
DECEMBER	2.895	2.785	2.646	2.662	3.310	2.799	3.994	3.693	4.165	3.763	3.836	3.660
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
JANUARY	2.812	2.852	2.581	2.705	3.419	2.971	3.937	3.674	4.229	3.871	3.425	3.673

NA = Not available. 1/ "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. 2/ The standard reference base period for these indexes is 1982-1984 = 100. 3/ Percent change over previous year. 4/ Per gallon. 5/ Per pound. Grade AA, salted, stick butter. 6/ Per pound, any size and type of package. 7/ Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). 8/ Per 1/2 gallon, prepackaged regular.

## COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS-OCTOBER-DECEMBER AND YEAR-TO-DATE 2000-2001 1/

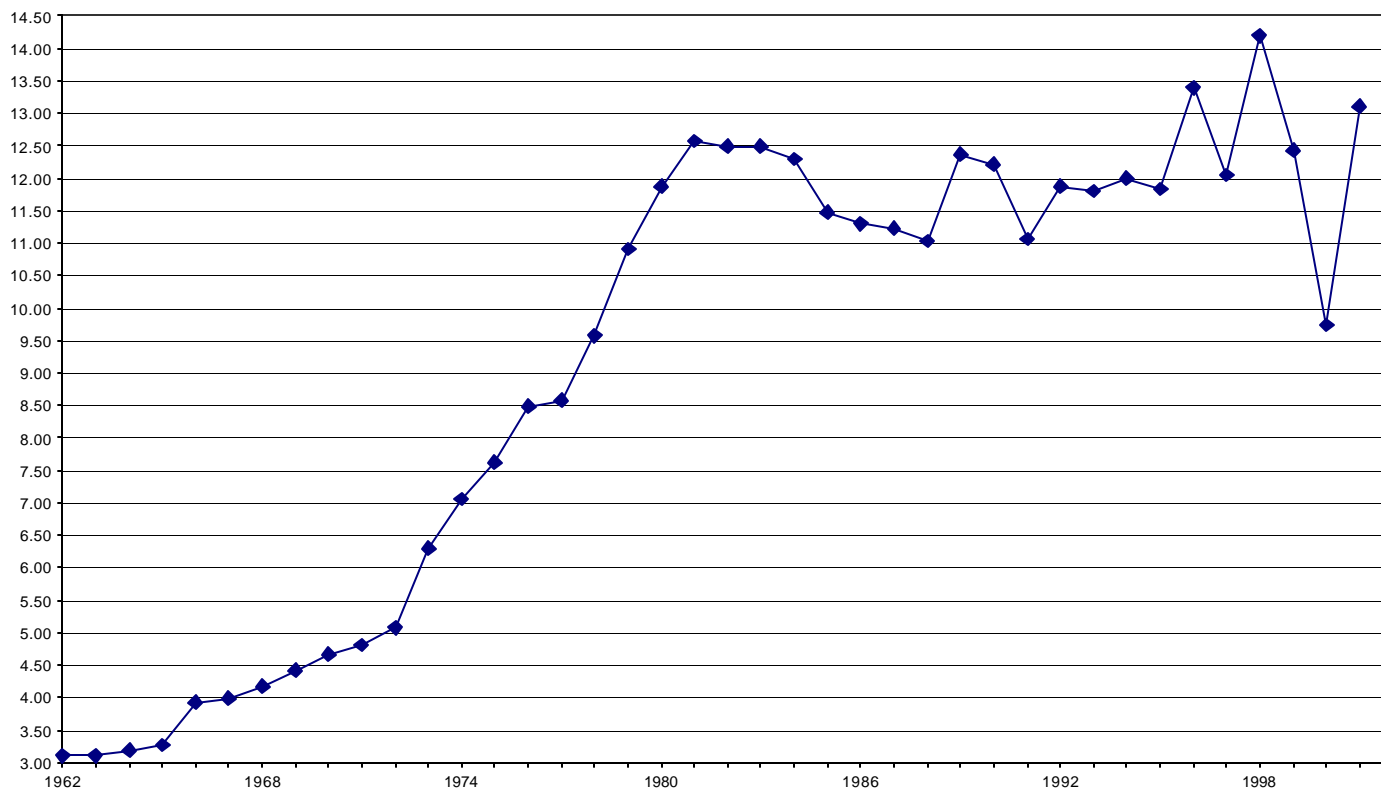
Item	Oct.-Dec. 2000	Percent change 2/	Oct.-Dec. 2001	Percent change 2/	Jan.-Dec. 2000	Percent change 2/	Jan.-Dec. 2001	Percent change 2/
	Million Pounds							
<b>MILK</b>								
Production	40,644	0.5	40,818	0.4	167,559	2.7	165,336	-1.0
Marketings	40,314	0.5	40,497	0.5	166,247	2.7	164,062	-1.0
Beginning Commercial Stocks 3/	8,925	19.8	8,755	-1.9	6,143	16.5	6,839	11.3
Imports 3/	1,094	-14.1	1,443	31.9	4,446	-6.8	5,728	28.8
Total Supply 4/	50,333	3.1	50,695	0.7	176,836	2.9	176,629	0.1
Ending Commercial Stocks 3/	6,871	11.9	7,043	2.5	6,871	11.9	7,043	2.5
Net Removals 3/	167	36.9	25	-85.0	841	145.2	154	-81.7
Commercial Disappearance 4/	43,295	1.7	43,627	0.8	169,124	2.3	169,432	0.4
<b>SELECTED PRODUCTS 5/</b>								
Butter	380.6	1.3	399.5	5.0	1,298.2	-1.2	1,267.6	-2.1
American Cheese	917.7	-0.7	955.6	4.1	3,587.7	1.0	3,687.2	3.1
Other Cheese	1,315.8	1.8	1,303.0	-1.0	4,963.5	6.0	4,947.0	-0.1
Nonfat Dry Milk	191.1	24.8	240.8	26.0	770.8	4.4	982.3	27.7
Fluid Milk Products 6/	14,213.7	-0.3	14,227.2	0.1	55,516.7	-0.6	55,097.2	-0.5

1/ Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and therefore can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. 2/ From year earlier on a daily average basis. 3/ Milk-equivalent, milkfat basis. 4/ Totals may not add because of rounding. 5/ Commercial disappearance in product pounds.

6/ Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition. **SOURCE:** Economic Research Service, USDA. Fluid milk products - Agricultural Marketing Service, USDA.

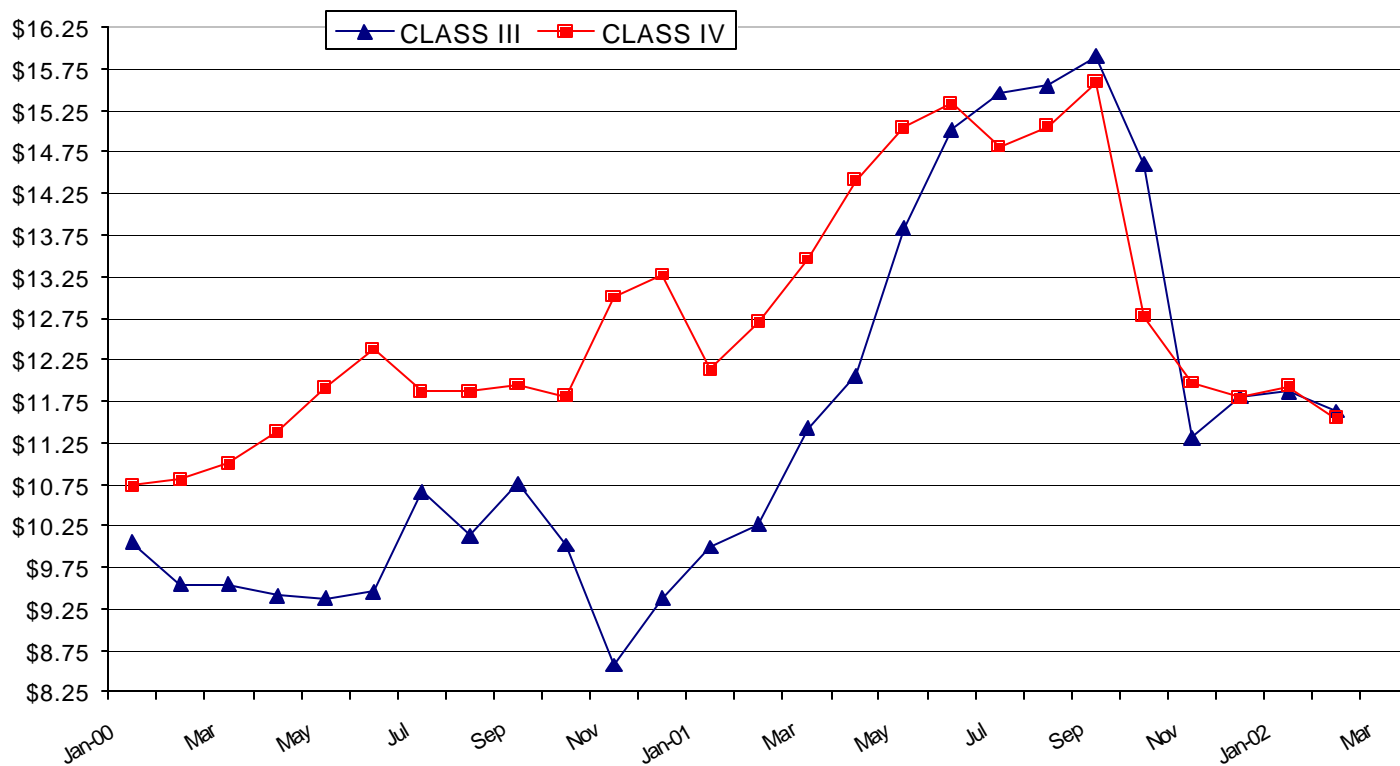
## ANNUAL AVERAGE CLASS III/BFP/MW 1962-2001

\$ PER CWT.



## 2000-2002 CLASS III AND IV MILK PRICES

Per Cwt.



CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF MARCH 4 - 8, 2002			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES#	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/01	SAME PERIOD LAST YEAR	WEEK ENDING 03/01/02	SAME PERIOD LAST YEAR
<b>BUTTER</b>							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unsalted	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHEESE</b>							
Block	-0-	-0-	-0-	-0-	3,050,083	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	4,025,276	-0-	-0-
Process	-0-	-0-	-0-	-0-	4,039,200	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	11,114,559	-0-	-0-
<b>NONFAT DRY MILK</b>							
Nonfortified	17,439,716	660,815	16,778,901	215,070,507	210,817,130	791,118,000	438,213,000
Fortified	-0-	-0-	-0-	-0-	26,867,069	38,227,000	37,339,000
<b>TOTAL</b>	17,439,716	660,815	16,778,901	215,070,507	237,684,199	829,345,000	475,552,000

# Although an uncommitted inventory of NDM has continued to exist for some time, it has not been reported due to CCC's efforts to utilize all NDM purchased under price support.

MILK EQUIVALENT, FAT SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF MARCH 4 - 8, 2002 =	3.7	195.3	COMPARABLE PERIOD IN 2001 =	3.0	156.5
CUMULATIVE SINCE OCTOBER 1, 2001 =	47.3	2,503.4	CUMULATIVE SAME PERIOD LAST YEAR =	154.9	2,876.7
CUMULATIVE JANUARY 1 - MARCH 8, 2002 =	30.4	1,607.5	COMPARABLE CALENDAR YEAR 2001 =	38.3	1,394.1

\* Factors used for Fat Solids Basis - Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

\*\*Factors used for Skim Solids Basis - Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF MARCH 4 - 8, 2002 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	974,709	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	14,281,669	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	1,522,523	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/01 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
	2001/02	2000/01	2001/02	2000/01	2001/02	2000/01	2001/02	2000/01
MIDWEST	-0-	-0-	-0-	6,035,040	6,348,059	2,847,309	3.0	36.4
WEST	-0-	-0-	-0-	5,039,919	201,981,116	234,836,890	93.9	63.4
EAST	-0-	-0-	-0-	39,600	6,741,332	-0-	3.1	0.2
<b>TOTAL</b>	-0-	-0-	-0-	11,114,559	215,070,507	237,684,199	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER MAY 31, 2001

**MANUFACTURING MILK** Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80

**BUTTER** Bulk \$.8548 per pound; 1# Prints \$.8848

**CHEESE** 40 & 60# Blocks \$1.1314 per pound; 500# Barrels \$1.1014; Process American 5# \$1.1839; Process Am. 2# \$1.2239

**NONFAT DRY MILK** Nonfortified \$.9000 per pound; Fortified \$.9100; Instant \$1.0575

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 02/16/02 & Comparable Week 2001

Regions* (000 HEAD)	U.S. TOTAL										% DAIRY OF ALL	
	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1
2002-Dairy	0.2	0.7	5.4	4.9	20.5	2.8	0.4	1.1	12.9	2.7	51.4	365.6
2001-Dairy	0.3	0.6	6.0	5.2	21.6	2.9	1.9	1.1	11.6	3.3	54.5	403.0
2002-All cows	0.2	0.8	7.3	13.0	31.7	14.1	14.5	3.5	14.7	5.1	104.9	768.5
2001-All cows	0.3	0.8	8.2	14.4	31.6	13.0	17.8	5.6	12.9	6.2	110.7	808.0

SOURCE The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III (2000-2001) AND BFP (1999) MILK PRICES, (3.5% BF, \$/CWT. FOR COMPARISON PURPOSES ONLY)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37
2001	9.99	10.27	11.42	12.06	13.83	15.02	15.46	15.55	15.90	14.60	11.31	11.80

FEDERAL MILK ORDER CLASS PRICES FOR 2002 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	11.96	11.95	11.62									
II	12.69	12.28										
III	11.87	11.63										
IV	11.93	11.54										

1/ Specific order differentials to be added to this base price are located at: [www.ams.usda.gov/dairy/mib/class\\_prod\\_milk\\_comp\\_pr.htm](http://www.ams.usda.gov/dairy/mib/class_prod_milk_comp_pr.htm)